Check on tax evasion

†773. SHRI JANESHWAR MISHRA: Will the Minister of FINANCE be pleased to state:

(a) the steps taken by Government to check tax evasion being done at large scale;

(b) whether it is a fact that one third of informations regarding big transactions received by the Ministry did not have any Permanent Account Number mentioned therein;

(c) the measures taken by Government to increase more recovery of Income-Tax from people of higher categories; and

(d) the outcome as a result thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Income tax Department takes several deferent and punitive measures to check evasion of tax, including undertaking searches and seizures, surveys, scrutiny of returns, imposing penalty and launching prosecution in appropriate cases.

(b) Annual Information Returns (AIRs) of prescribed high value transactions furnished for financial year 2004-05 contained 17,52,653 number of tax related transaction. Permanent Account Number (PAN) was quoted in 6,82,261 of these transactions while in the remaining transactions, PAN was not quoted by the AIR filer.

(c) The Government is taking several steps to augment revenue from high income earners. Apart from undertaking surveys and searches, information from third party sources in respect of specified high value transactions are collected under the scheme of Annual Information Return (AIR). The Department has also carried out surveys/enquiries in respect of transaction of high value items such as Plasma TVs, modular kitchenware, imported cars etc. The Banking Cash Transaction Tax (BCTT), made effective from 1.6.2005, captures information in respect of cash withdrawals above specified amounts made through banking channels as well as encashment of time deposits above specified limits with banks.

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†Original notice of the question was received in Hindi.

(d) The above steps have resulted in unearthing of tax evasion and detection of black money. Searches carried out by the Income tax Department during the financial year 2005-06 led to seizure of assets valued at Rs. 351.69 crore while surveys carried out during the year led to detection of unaccounted income of Rs. 2324.57 crore.

Smuggling of fake notes

†774. SHRI JANESHWAR MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether it is fact that business of smuggling fake notes is going on a large scale;

(b) if so, whether it is also a fact that Rs. 59 lakh notes of fake Indian currency have been recovered at Kathmandu airport in Napal recently;

(c) if so, whether Government have taken any steps to curb the transaction of fake notes; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANI MANICK): (a) Available intelligence indicates that the Indo-Pakistan, Indo-Nepal and Indo-Bangladesh borders are sensitive from the point of view of smuggling of fake notes into India.

(b) The Government has not received any report of such seizure. However a seizure of Rs. 59 lakhs of Fake Indian Currency notes at Tribhuvan International Airport, Kathmandu was reported in the media in Kathmandu.

(c) & (d) Field formations are kept on high vigil and continuous efforts are being made to collect workable intelligence on smuggling of Fake Indian Currency.

Announcement of DA instalment

775. SHRIMATI JAYA BACHCHAN: Will the Minister of FINANCE be pleased to state:

(a) when was the last DA instalment announced by Government for the Central Government employees as well as pensioners;

†Original notice of the question was received in Hindi.